



APR 0 9 2015

## INDIANA UTILITY REGULATORY COMMISSION

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INDIANA UTILITY REGULATORY COMMISSION 101 WEST WASHINGTON STREET, SUITE 1500 EAST INDIANAPOLIS, INDIANA 46204-3419

IN THE MATTER OF THE INDIANA UTILITY	)	
REGULATORY COMMISSION'S INVESTIGATION	)	<b>CAUSE NO. 44602</b>
INTO INDIANAPOLIS POWER & LIGHT	)	
COMPANY'S ONGOING INVESTMENT IN, AND	)	
OPERATION AND MAINTENANCE OF, ITS	)	
NETWORK FACILITIES	)	

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

On March 20, 2015, the Commission initiated this investigation into the ongoing investment in, and operation and maintenance of, the network facilities of Indianapolis Power & Light Company ("IPL"). This investigation stemmed from two recent incidents in downtown Indianapolis ("the sites") on March 16, 2015, and March 19, 2015, in combination with previous incidents that the Commission has investigated informally. The Commission issued its preliminary issues list in its March 31, 2015 Docket Entry, to which IPL and the Indiana Office of Utility Consumer Counselor responded on April 7, 2015. The following issues constitute the final issues list for consideration in this Cause:

## Issue 1-Network Safety:

Please discuss the safety of IPL's network, focusing on the downtown network. In order to properly frame the network safety discussion, please describe what would constitute an unreasonable level of safety on the downtown network. Please discuss what would constitute an unreasonable risk of safety to the public.

Please discuss the failure evaluation, including any root cause analyses performed, for the March 16, 2015, and March 19, 2015, events, and what mitigation measures those events suggest IPL should consider in order to improve network safety.

Please present the necessary data to determine whether or not there were any ongoing, persistent network conditions that may have contributed to the occurrence of the ongoing series of network events since 2005. That data should include at a minimum the following information:

<sup>&</sup>lt;sup>1</sup> IPL proposed to clarify that "IPL's network is the underground network located in the Mile Square area of Indianapolis, which is approximately bounded by North Street, East Street, South Street, and West Street. . . ." IPL's Submission of Clarification at 1. The scope of this investigation is not limited to the downtown network, unless otherwise stated.

- 1. System design—cabling, conduits, vaults, insulation, design standards, best practices;
- 2. Age of network system components;
- 3. Inspection practices—training, recordkeeping, prioritization of observation results, and speed of remediation.

Please discuss what externalities, if any, may have contributed to the cause /effect of the series of IPL network events. These externalities may include, but are not necessarily limited to, the following items:

- 1. Effect of other underground facilities on IPL s system (i.e., steam heat, cooling system, drinking water system, natural gas system, fiber optics, and telecommunications);
- 2. Effect of other environmental factors (i.e., road salt and other ice melting chemicals, other chemicals, debris including mud, airflow, water, ongoing downtown construction projects, customer-owned equipment failures, etc.).

Please discuss any efforts IPL should expedite to ensure public safety. To the extent those efforts could have been implemented before March 2015, please explain why IPL had not previously taken those efforts.

Please discuss IPL's network redundancies, and evaluate how successful those redundancies have been to prevent service outages after the occurrences of network events.

## Issue 2-Network Maintenance:

Please discuss IPL's responses to the recent informal IURC investigations and the associated consultant report recommendations.

Please discuss how IPL's past responses to network events and infrastructure maintenance have improved IPL's process to prevent similar types of network events today.

Please discuss any efforts IPL should expedite to maintain its network. To the extent those efforts could have been implemented before March 2015, please explain why IPL had not previously taken those efforts.

Please analyze what effect IPL's asset management program/practices, if any, may have had in assisting IPL predict or prevent potential network failures and other related problems.

## Issue 3-Network Investment:

Please discuss how IPL's shareholders influence the ongoing investment in, and operation and maintenance of, its network facilities.

Please discuss how network performance, maintenance, and safety are reasonably correlated to sufficient ongoing investment. Please support the past level of investment in its network (focusing on 2000 through June 2013), as well as the expectation of going-forward investment.

Please discuss what forms of grid modernization technology, if any, could have afforded IPL the ability to prevent or mitigate the cause and effects of network events.

Please discuss IPL's current managerial, financial, and technical benchmarking program and practices pertaining to the provision of safe and reliable service to customers.

IT IS SO ORDERED.

Carol A. Stephan, Commission Chair

Aaron A. Schmoll, Senior Administrative Law Judge

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